



**EXHIBIT E**

**CROSS CONNECTS**

## **Cross Connects**

MGC collocates in more than 250 ILEC central offices in five states. Integral to MGC's collocation strategy is its ability to provision a cross-connect from the ILEC main distribution frame to MGC's collocated equipment. Without this connection, MGC would not be able to provide local voice and data services through its own facilities. The Commission has defined the local loop in the following manner:

The local loop network element is defined as a transmission facility between a distribution frame (or its equivalent) in an incumbent LEC central office and an end user customer premises.<sup>1</sup>

To maximize competitive opportunities to deploy advanced services, to minimize unnecessary litigation, and to minimize opportunities for the uneconomic imposition of non-cost based charges on carriers using a UNE entry strategy, the Commission's existing loop definition must be modified in several ways.

First, MGC believes that the existing loop definition must be modified to explicitly include cross connects. Simply put, loops do not work if not cross-connected.

Furthermore, the cross-connect should only be charged to the CLEC on a per use basis.<sup>2</sup>

As mentioned above, MGC purchases loops from five separate ILECs. All ILECs from whom MGC purchases loops, charge separately for the cross-connect. The cross-connect should be factored into the TELRIC price of the loop and not charged separately. The practice of charging a CLEC for a cross-connect is particularly offensive in GTE territory

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<sup>1</sup> 47 C.F.R. §51.319

<sup>2</sup> MGC purchases loops from five ILECs. Only GTE charges MGC for the capability of providing a loop. Specifically, GTE charges MGC for the number of cross-connects MGC has the capability of provisioning when it purchases a loop. In essence, GTE will charge MGC \$2.10 per cross-connect. This equates to a

where GTE charges MGC a non-TELRIC rate for cross-connects. In addition, GTE requires MGC to pay for the capability of providing a loop over a cross-connect rather than merely paying for the cross-connect when it is used to provision a loop. (See Exhibit 1) The effect of this practice is that GTE requires MGC and other CLECs to pay a recurring charge for the capability of provisioning a loop through collocation. In MGC's case, GTE has attempted to bill MGC for more than ten times the amount of cross-connects it has actually provisioned. This practice is patently anti-competitive. Accordingly, it is imperative that the Commission promulgate rules that include cross-connects as part of the provisioned loop.<sup>3</sup>

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situation where MGC is paying for 672 cross-connects when it may be only actually using 100 of the cross-connects to provision loops.

3

In the typical scenario, MGC collocates an access node which has the initial capability of provisioning 672 loops. As mentioned above, MGC pays to connect the access node to the GTE main distribution frame as a Non Recurring charge for building collocation. In this example, it costs MGC an additional \$1,350.72 per month to be able to have the capability of provisioning a loop. MGC collocates in over 40 GTE central offices so this monthly recurring fee becomes a substantial barrier and to prices MGC away from lower profit margin residential service.



**Scott Sarem**

**From:** Scott Sarem  
**Sent:** Sunday, July 25, 1999 6:36 PM  
**To:** Scott Sarem  
**Subject:** FW: Cross Connect proposed settlement

**EXHIBIT E4**

> -----Original Message-----

> From: John Peterson [SMTP:john.peterson@telops.gte.com]  
 > Sent: Monday, July 19, 1999 1:28 PM  
 > To: SSarem@mgccom.com  
 > Cc: 'enselby@wenet.net'; John Martin; Elaine Lustig; John Peterson;  
 > Laura Schneider; Randy Vogelzang; Steve Roosa  
 > Subject: RE: Cross Connect proposed settlement  
 >  
 > Scott,  
 >  
 > When GTE and AT&T negotiated the California agreement, there was a clear  
 > understanding between the parties that collocation as defined in the  
 > agreement would be purchased out of GTE's Federal Interstate Access  
 > Tariff. Although there were several issues that were arbitrated before  
 > the  
 >  
 > California PUC regarding collocation (i.e. equipment that AT&T could  
 > collocate, reservation of space, interconnection of equipment between  
 > two  
 > CLECs in GTE offices) there were no unresolved issues regarding rate  
 > structure and rate application.  
 >  
 > The contract language expresses the intent of the parties. MGC adopted  
 > this agreement. GTE's position is based on the intent of the parties as  
 > supported by language in the contract and the federal tariff.  
 >  
 > The contract clearly outlines that when MGC purchases a loop, the loop  
 > is  
 > the communications path from the customer demarcation point to the Main  
 > Distribution Frame (MDF).  
 >  
 > Attachment 2, Section 3-3.1  
 >  
 > A "Loop" is a transmission facility between the main  
 > distribution frame (cross-connect), or functionally comparable  
 > piece of equipment in a GTE end office or wire center to a  
 > demarcation, connector block or network interface device at a  
 > customer's premises.  
 >  
 > The federal tariff clearly outlines that when MGC purchases a cross  
 > connect, the cross connect provides the communications path between  
 > GTE's  
 > main distribution frame and MGC's transmission equipment. Section 5.1.1  
 > of  
 >  
 > GTE's Federal Tariff provides the description for the cross connection  
 > charge. The cross connection charge applies per connection ordered by  
 > MGC. Rates are listed in Section 5.10 of the tariff. The number of  
 > cross  
 > connects ordered from MGC's transmission equipment to GTE's MDF provides  
 > the number of "hot" terminations on the MDF that loops can be connected  
 > to.  
 >

> I believe that both our contract and the Federal Tariff are quite clear  
on  
>  
> these points. MGC has yet to present any arguments to refute the GTE  
> position.  
>  
> I'm out of town until Friday. I would be more than willing to have a  
> conference call on Friday, if MGC has any new information to present on  
> this issue. Otherwise, it would not be productive to have the call and  
> MGC would be better served taking whatever legal remedies you feel  
> appropriate.  
>  
> John Peterson  
>  
>  
> -----  
> Original Text  
> From: "Scott Sarem" <SSarem@mgcicorp.com>, on 7/18/99 7:18 PM:  
> John:  
>  
> Does your e-mail message of July 17, 1999 confirm that GTE is  
exclusively  
> relying on the quoted interconnection contract language as well as the  
GTE  
> tariff language?  
>  
> Please advise.  
>  
> Thank You,  
>  
> Scott Sarem  
>  
> > -----Original Message-----  
> > From: John Peterson [SMTP:john.peterson@telops.gte.com]  
> > Sent: Saturday, July 17, 1999 2:18 PM  
> > To: Scott Sarem; SSarem@mgcicorp.com  
> > Cc: 'enselby@wenet.net'; John Martin; Kent Heyman; Elaine Lustig;  
> John  
> > Boshier; John Peterson; Laura Schneider; Randy Vogelzang; Steve Roosa  
> > Subject: RE: Cross Connect proposed settlement  
> >  
> > Scott,  
> >  
> > My e-mail of July 13, 1999 provides the basis for GTE assessing the  
> cross  
> > connect charge for each DS0, DS1, and DS3 cross connect that MGC has  
> > ordered. When MGC orders this service, MGC is ordering from GTE's  
> > Interstate Tariff FCC No. 1. The tariff provides the description of  
the  
>  
> > cross connect, and clearly outlines that the charge applies per  
> > connection. The cross connect provides the communications path  
between  
> > GTE's MDF and MGC's transmission equipment. If MGC elects to order  
more  
> > cross connects than is necessary for terminations at GTE's MDF, that  
is  
> a  
> > business decision MGC makes when the service is ordered.  
> >  
> > If you have any other questions, please let me know.  
> >  
> > Sincerely,  
> >

> > John Peterson  
> > 972-718-5988  
> > 972-719-1519 Fax  
> > -----  
> > Original Text  
> > From: "Scott Sarem" <SSarem@mgcicorp.com>, on 7/15/99 7:45 PM:  
> > To: smtp["Scott Sarem" <SSarem@mgcicorp.com>], John  
> > Peterson@CARMKTS.CC@TXIRV  
> > Cc: smtp["enselby@wenet.net" <enselby@wenet.net>], smtp["John  
Martin"  
> > <JMartin@mgcicorp.com>], smtp["Kent Heyman" <KHeyman@mgcicorp.com>],  
> > Steve  
> >  
> > Roosa@CARMKT.CMS@CATOK, Randy Vogelzang@GC.CSRM@TXIRV, Laura  
> > Schneider@CARMKTS.CC@TXIRV, John Boshier@CPM.CNAS@TXIRV, Elaine  
> > Lustig@GC.REGOPS@CATOK  
> >  
> > John/Laura:  
> >  
> > Please let MGC know if the language GTE is relying on in the  
> > interconnection  
> > agreement to charge MGC the \$2.00 cross-connect fee for cross-connects  
> > that  
> > are not connected to a loop and are not being used is exclusively in  
> > Section  
> > 32.1 of the interconnection agreement and attachment 3 section 2.2.1.1  
> > of  
> > the interconnection agreement. If GTE is relying on any other  
> > provisions  
> > in  
> > the interconnection agreement please advise MGC no later than Monday  
> > July  
> > 19, 1999. Otherwise, MGC will rely on the below e-mail as GTE's legal  
> > theory for charging MGC in the manner it has charged MGC for  
> > cross-connects.  
> >  
> > Best Regards,  
> >  
> > Scott Sarem  
> > Assistant Vice President, Regulatory Affairs  
> > MGC Communications, Inc.  
> > (702) 310-4406  
> >  
> > > -----Original Message-----  
> > > From: Scott Sarem  
> > > Sent: Wednesday, July 14, 1999 9:17 AM  
> > > To: 'john.peterson@telops.gte.com'; Scott Sarem  
> > > Cc: 'enselby@wenet.net'; John Martin; Kent Heyman; 'Elaine  
> > > Lustig';  
> > > 'John Boshier'; 'Laura Schneider'; 'Randy Vogelzang'; 'Steve Roosa'  
> > > Subject: RE: Cross Connect proposed settlement  
> > >  
> > > John:  
> > >  
> > > After reviewing the below e-mail, MGC would like some clarification.  
> >  
> > MGC  
> > > does not necessarily agree that the terms and conditions of GTE's  
> > Federal  
> > > tariff govern or resolve the dispute between MGC and GTE. However,  
in  
>  
> a  
> > > effort to understand GTE's position, MGC would like GTE to clarify



> which  
> > > portions of its Federal tariff support the notion that MGC must pay  
a  
> > > recurring charge for a cross-connect that is not connected to a loop  
> and  
> > > is not being used.  
> > >  
> > > As mentioned several times before, MGC would like to work, in good  
> > faith,  
> > > with GTE to resolve this dispute. Therefore, please provide MGC  
with  
> > the  
> > > basis of GTE's tariff claim so that MGC may more accurately evaluate  
> > GTE's  
> > > position.  
> > >  
> > > Best regards,  
> > >  
> > > Scott Sarem  
> > > Assistant Vice President, Regulatory Affairs  
> > > MGC Communications, Inc  
> > > (702) 310-4406  
> > >  
> > > -----Original Message-----  
> > > From: John Peterson [SMTP:john.peterson@telops.gte.com]  
> > > Sent: Tuesday, July 13, 1999 4:47 PM  
> > > To: SSarem@mgcicorp.com  
> > > Cc: 'enselby@wenet.net'; John Martin; Kent Heyman; Elaine  
> > > Lustig; John Boshier; John Peterson; Laura Schneider; Randy  
Vogelzang;  
> > > Steve Roosa  
> > > Subject: re: Cross Connect proposed settlement  
> > >  
> > > Scott,  
> > >  
> > > You had suggested that we have a conference call tomorrow at  
2:00  
> > pm  
> > > PST  
> > > to discuss the cross connect ADR. If you find this is  
necessary  
> > > after  
> > > reviewing my response, please let me know. Laura and I are  
> > available  
> > > for a  
> > > call.  
> > >  
> > > This is in response to your proposed settlement to the  
> Alternative  
> > > Dispute  
> > > Resolution (ADR) you initiated on February 24, 1999 with GTE  
> > > regarding  
> > > cross connect charges that have been billed by GTE but payment  
> has  
> > > been  
> > > withheld.  
> > >  
> > > I have reviewed your proposal and offer the following response:  
> > >  
> > > The General Terms and Conditions, paragraph 32.1 of our  
> > > interconnection  
> > > agreement require GTE to offer Ancillary Functions to MGC in  
> > > accordance  
> > > with the terms and conditions of the agreement. Attachment 3 to

> the  
 >>> agreement lists collocation as one of the ancillary functions  
 >>> embodied in  
 >>> the agreement. Collocation is defined in Attachment 3 as the  
 > right  
 >>> of MGC  
 >>> to obtain dedicated space in GTE's serving offices and to place  
 >>> equipment  
 >>> in this space to interconnect with the GTE network or obtain  
 > access  
 >>> to  
 >>> unbundled network elements.  
 >>>  
 >>> Attachment 3, paragraph 2.2.1.1 specifies that MGC will pay for  
 >> such  
 >>> space  
 >>> as set forth in GTE's applicable collocation tariff. Section  
 > 5.1.1  
 >>> of  
 >>> GTE's Federal Tariff provides the description for the cross  
 >>> connection  
 >>> charge. A cross connect provides the communications path  
 between  
 >>> GTE's  
 >>> main distribution frame (MDF) and MGC's transmission equipment.  
  
 >> The  
 >>> cross  
 >>> connection charge applies per connection. Rates are listed in  
 >>> Section  
 >>> 5.10 of the tariff. For the state of California, the DSO, DS1,  
 > and  
 >>> DS3  
 >>> rates are \$2.00, \$5.00, and \$39.45 per month.  
 >>>  
 >>> The monthly recurring rates for the DSO, DS1, and DS3 cross  
 > connect  
 >>> elements represent the labor and material costs to terminate  
 the  
 >>> customer's cable from the collocation equipment to a GTE  
 network  
 >>> service.  
 >>> The cross-connect is composed of the following costs:  
 > termination;  
 >>> wire/cable; land and buildings expense factor and a billing and  
 >>> collection  
 >>> cost. When this tariff was filed with the FCC, the prices were  
 >>> supported  
 >>> pursuant to Section 61.49 of the FCC's rules.  
 >>>  
 >>> MGC has elected to order cross connects under the terms and  
 >>> conditions of  
 >>> the parties interconnection contract and GTE's Federal Tariff.  
 > The  
 >>> tariff  
 >>> is very clear that rates apply on a per connection basis. These  
 >>> connections have been provisioned, at MGC's request, based on  
 > what  
 >>> MGC has  
 >>> ordered.  
 >>>  
 >>> MGC has approximately 37,000 DSO level cross connects serving  
 >>> approximately 8,000 working loops. This represents a margin  
 that

> > > imposes  
 > > > significant cost on MGC that could be avoided by managing the  
 > > margin  
 > > >  
 > > > between working loops and provisioned cost connects. GTE has  
 > > > offered to  
 > > > disconnect, at no additional charge, to an MGC determined  
 margin  
 > of  
 > > > cross  
 > > > connects. This action would reduce MGC's cost and conserve  
 space  
 > > on  
 > > > GTE's  
 > > > MDF.  
 > > >  
 > > > GTE is appropriately applying the terms, conditions, and rates  
 of  
 > > > the  
 > > > parties interconnection contract and GTE's Federal Tariff.  
 > > Although  
 > > > GTE's  
 > > > approach may be different from other ILECs that MGC does  
 business  
 > > > with,  
 > > > this is the approach GTE uniformly applies to CLEC customers.  
 > GTE  
 > > > has 142  
 > > > completed collocations in 68 central offices in California for  
 > all  
 > > > CLECs.  
 > > > The terms, conditions, and rates for these collocations,  
 > including  
 > > > provisioning of cross connects is uniformly applied to all  
 CLECs  
 > > > ordering  
 > > > services from GTE's Federal Tariff.  
 > > >  
 > > > GTE considers this issue a billing dispute that MGC has  
 escalated  
 > > to  
 > > >  
 > > > Alternative Dispute Resolution. My understanding is that MGC  
 has  
 > > > withheld  
 > > > payment on all cross connect billing initiated by GTE. I would  
 > > > recommend  
 > > > that MGC move quickly to request disconnection of cross  
 connects,  
 > > by  
 > > >  
 > > > office, to establish a more reasonable margin between  
 provisioned  
 > > > cross  
 > > > connects and forecasted loop growth. GTE would also request  
 that  
 > > > MGC pay  
 > > > for the cross connect services that have been provisioned where  
 > > > payment  
 > > > has been withheld.  
 > > >  
 > > > Sincerely,  
 > > >  
 > > > John Peterson

>>> 972-718-5988  
 >>> 972-719-1519 Fax  
 >>> -----  
 >>> Original Text  
 >>> From: "Scott Sarem" <SSarem@mgcicorp.com>, on 7/9/99 11:29 AM:  
 >>> To: Laura Schneider@CARMKTS.CC@TXIRV, John  
 >>> Peterson@CARMKTS.CC@TXIRV  
 >>> Cc: smtp["enselby@wenet.net" <enselby@wenet.net>], smtp["John  
 >>> Martin"  
 >>> <JMartin@mgcicorp.com>], smtp["Kent Heyman"  
 >>> <KHeyman@mgcicorp.com>],  
 >>>  
 >>> smtp["Rick Heatter" <RHeatter@mgcicorp.com>]  
 >>>  
 >>> John/Laura:  
 >>>  
 >>> This e-mail is to confirm our conversation yesterday concerning  
 >>> the  
 >>> pending  
 >>> cross-connect dispute resolution. As discussed, MGC has  
 >>> proposed  
 >>> to  
 >>> only  
 >>> pay for those cross-connects it has used rather than the  
 >>> cross-connects it  
 >>> has the ability to eventually use at the contract rate.  
 >>> Alternatively,  
 >>> MGC  
 >>> has proposed that on a retrospective basis to pay for all  
 >>> cross-connects,  
 >>> whether or not used on a cost basis rather than the \$2.10  
 >>> contract  
 >>> rate.  
 >>> On  
 >>> a prospective basis, MGC will only pay for those cross-connects  
 >>> it  
 >>> uses.  
 >>>  
 >>> The cost basis for MGC's second proposal is the \$0.16 per cross  
 >>> connect  
 >>> cost  
 >>> found in the CPUC's staff submission in the OANAD proceeding  
 >>> for  
 >>> a  
 >>> voice  
 >>> grade cross-connect in Pacific Bell Territory. Because I have  
 >>> not  
 >>> personally signed the confidentiality agreement in the GTE  
 >>> portion  
 >>> of  
 >>> OANAD,  
 >>> I cannot have access to the GTE price. However, unless I  
 >>> receive  
 >>> a  
 >>> waiver  
 >>> from GTE's legal counsel, I cannot use that information for  
 >>> settlement  
 >>> purposes. Presumably, GTE's cost for provisioning voice grade  
 >>> cross-connects in central offices does not differ greatly from  
 >>> Pacific  
 >>> Bell  
 >>> in California.  
 >>>  
 >>> This issue was submitted to GTE on February 24, 1999. It was

not  
> > > resolved  
> > > within the time frame provided in the interconnection agreement  
> due  
> > > to  
> > > scheduling conflicts on both sides as well as staff changes by  
> GTE  
> > > (Doug  
> > > Inscho, the GTE representative assigned to MGC's issues, left  
the  
> > > contract  
> > > compliance group in March 1999). However, in the spirit of  
good  
> > > faith  
> > > negotiations, MGC has agreed to not pursue a legal remedy until  
> > July  
> > > 15,  
> > > 1999 and pursue a settlement with GTE on the cross-connect  
issue.  
>  
> > >  
> > > As discussed yesterday, the deadline for a settlement is  
> Wednesday  
> > > July 14,  
> > > 1999. If MGC and GTE cannot agree on a settlement by that date,  
  
> > MGC  
> > > will  
> > > be  
> > > forced to pursue a legal remedy. To this end, MGC has retained  
> the  
> > > service  
> > > of attorney Earl Nicholas Selby in the event it is forced to  
> pursue  
> > > a  
> > > legal  
> > > remedy.  
> > >  
> > > I look forward to resolving this issue within the agreed to  
> > > timeframes.  
> > >  
> > > Best Regards,  
> > >  
> > > Scott A. Sarem  
> > > Assistant Vice President, Regulatory Affairs  
> > > MGC Communications, Inc.  
> > > (702) 310-4406





July 30, 1999

Mr. Jon Reel  
Common Carrier Bureau Policy Division  
Federal Communications Commission Portals  
445 12<sup>th</sup> Street, SW, 5<sup>th</sup> Floor  
Washington, DC 20554  
**VIA FEDERAL EXPRESS**

4476 8769 1351

4476 8769 1340

Dear Jon:

Pursuant to our telephone conversation, MGC supplies the following information on CLEC Access to sub-loops.

Sub-loops are accessed at either an ILEC structure (A "hut" if above ground or a "vault" if below ground) or a wire cross-connect panel in a pedestal or cabinet.

In the case of a hut or a vault, the CLEC can collocate a multiplexor or service terminal inside, where space is available. MGC has done this in two Sprint/Centel huts in Las Vegas, Nevada. In any case, the CLEC would bring a cable from a nearby non-ILEC building or structure for termination on the cross-connect panel. This arrangement might be appropriate, for example, in a multi-building apartment complex.

Respectfully submitted,



Scott A. Sarem  
Asst. Vice president, Regulatory Affairs  
MGC Communications, Inc.  
(702) 310-4406

cc: Magalie R. Salas



**LEGAL DEPARTMENT**

Kent F. Heyman  
Vice President  
General Counsel  
702.310.8258  
kheyman@mgcicorp.com

Richard E. Heatter  
Asst. Vice President, Legal  
702.310.4272  
rheatter@mgcicorp.com

Scott Sarem  
Asst. Vice President, Regulatory  
702.310.4406  
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Charles Clay  
Director, Strategic Relations, Nevada  
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Molly Pace  
Manager, Legal Administration  
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Ralphine Taylor  
Legal Administrator  
702.310.4230  
rtaylor@mgcicorp.com





July 29, 1999

Magalie R. Salas, Secretary  
Federal Communications Commission  
445 12th Street, S.W., Room TWB-204  
Washington, DC 20554

Re: **Ex Parte**, CC Docket Nos. 96-98, 95-185

Dear Ms. Salas:

Pursuant to Section 1.1206(b)(2) of the Commission's Rules, MGC Communications, Inc. ("MGC") submits this notice, in the above-captioned docketed proceedings, of an oral and written *ex parte* made on July 27, 1999 and July 28, 1999 with the following parties:

1. July 27, 1999: Chris Libertelli, Sanford Williams, Jon Reel, and D. Anthony Mastando of the Policy Division of the Common Carrier Bureau.
2. July 27, 1999: Sarah Whitesell Commissioner Tristani's legal advisor on Common Carrier issues.
3. July 27, 1999: Bill Bailey, Commissioner Furchtgott-Roth's legal advisor on Common Carrier issues.
4. July 27, 1999: Kyle Dixon, Commissioner Powell's legal advisor on Common carrier issues.
5. July 28, 1999: Dorothy Atwood, Chairman Kennard's legal advisor on Common Carrier issues.
6. July 28, 1999: Linda Kinney, Commissioner Ness' legal advisor on Common Carrier issues.

The presentation was made by Scott A. Sarem, Assistant Vice President of Regulatory Affairs and John Boersma, Senior Vice President of Operations, from MGC. During the meeting the parties discussed MGC's need for certain unbundled network elements. These proposed network elements were detailed in presentation materials and include information regarding the following topics:



**LEGAL DEPARTMENT**

Kent F. Heyman  
Vice President  
General Counsel  
702.310.8258  
kheyman@mgcicorp.com

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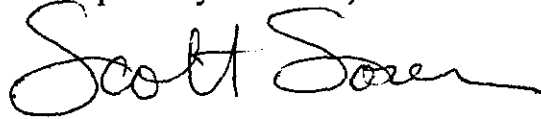
Molly Pace  
Manager, Legal Administration  
702.310.1024  
mpace@mgcicorp.com

Ralphine Taylor  
Legal Administrator  
702.310.4230  
rtaylor@mgcicorp.com

- Access to unbundled loops, including loops located behind remote switches, access nodes, integrated digital loop carriers, etc.;
- Network interface devices and inside wire;
- Interoffice transport;
- Dark fiber;
- Cross-connects being included as part of the local loop; and
- Sub-loop unbundling as well as the ILECs' ability to provision sub-loops.

Pursuant to Sections 1.1206(b)(2), an original and two copies of this *ex parte* notification and the accompanying presentation materials are provided for inclusion in the public record of the above-referenced proceeding. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Scott Sarem", with a long horizontal flourish extending to the right.

Scott A. Sarem  
Asst. Vice president, Regulatory Affairs  
MGC Communications, Inc.  
(702) 310-4406

Enclosure

cc: Kent Heyman  
John Boersma



July 26, 1999

Magalie R. Salas, Secretary  
Federal Communications Commission  
445 12th Street, S.W., Room TWB-204  
Washington, DC 20554

Re: *Ex Parte*, CC Docket Nos. 96-98, 95-185

Dear Ms. Salas:

Pursuant to Section 1.1206(b)(2) of the Commission's Rules, MGC Communications, Inc. ("MGC") submits this notice, in the above-captioned docketed proceedings, of an oral and written *ex parte* made on July 22, 1999, during a telephone call with Jonathan Reel of the Policy Division of the Common Carrier Bureau. The presentation was made by Scott A. Sarem of MGC. During the meeting the parties discussed MGC's need for sub-loop unbundling and ILECs' ability to provision sub-loops. Pursuant to Sections 1.1206(b)(2), an original and two copies of this *ex parte* notification are provided for inclusion in the public record of the above-referenced proceeding. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

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Asst. Vice president, Regulatory Affairs  
MGC Communications, Inc.

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Enclosure

cc: Jonathan Reel via fax (202) 418-0637